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The listing of claims will replace all prior versions and listing of claims in the application:

Listing of Claims:

1.(original) The method for determining the net value of at least one information technology application specific to an organization having a system with a computer-based infrastructure, users thereof, support functions, and a total IT budget, comprising the steps of:

determining a user value contribution of said application as an internal user cost and an external user cost;

determining a breakout of said total IT budget by assigning a number of select cost categories therefrom and for each such cost category determining a total budget value;

determining a breakout of staffing costs and resources by deriving a select number of staff function costs and combining said function designated costs to provide an IT budget corresponding with said total IT budget;

determining a total value for said application by deriving an uplift factor for said application, determining a base application value with respect to said internal user cost and then deriving the product of said base application value and said uplift factor and combining said product with said external user cost;

determining an unavailability value for said application;

determining a potential total loss value for said application;

determining an inflexibility value for said application; and

determining said net value as said total value for said application less said total IT budget, said internal user cost, said potential total loss, and said inflexibility.

2. (original) The method of claim 1 including the step of:

preparing an analysis of said at least one application including at least one of the group comprising; said net value, said breakout of said total IT budget, said breakout of staffing costs and resources, said unavailability value, said potential total loss value, and said inflexibility value.

3. (original) The method of claim 1 in which said step of determining a user value contribution of said application derives said internal user cost as the number of internal users of said application multiplied by the internal user salary, in turn, multiplied by the percent of internal active concurrent users.

4. (original) The method of claim 1 in which said step of determining a user value contribution of said application derives said external user cost as the number of external users of said application multiplied by the external user salary, in turn, multiplied by the percent of external active concurrent users.

5.(currently amended) The method of claim 1 in which said step of determining a breakout of said information technology budget by assigning a number of select categories therefrom, assigns at least one said select category from the group ~~consisting of;~~ comprising: fully loaded staff cost, hardware cost, software cost, network cost, consulting cost, and other cost.

6. (currently amended) The method of claim 1 in which said step of determining a breakout of said information technology budget includes the steps of:
    determining internal budget splits for each said select category; and
    determining outsourced budget splits for each said select category.

7. (currently amended) The method of claim 6 in which said step of determining a user value contribution of said application determines a said total budget value for each said cost by summing said internal budget splits for each said category with respective said outsourced budget splits corresponding therewith.

8. (original) The method of claim 1 in which said step of determining a breakout of staffing costs and resources derives said select number of staff function costs from the function group comprising:
    senior manager staff, new development staff, maintenance development staff, operations staff, technical staff, and other staff.

9. (original) The method of claim 1 in which said step of determining a breakout of staffing costs and resources includes the step of deriving the gross cost of internal staff for each said function of said select number of staff function costs.

10. (currently amended) The method of claim 9 in which said step of determining a breakout of staffing costs and resources includes the step of deriving the gross cost of outsourced staff for each said function of said select number of staff function costs.

11. (currently amended)The method of claim 10 in which said step of determining a breakout of staffing costs and resources includes the steps of:

summing the derived said gross cost of internal staff for each said function to derive a summarized internal staff gross cost; and

summing the derived said gross cost of outsourced staff for each said function to derive a summarized staff gross cost.

12. (currently amended) The method of claim 11 in which said step of determining a breakout of staffing costs and resources includes the steps of:

determining the percents by cost for each said gross cost of internal staff for each said function by dividing each corresponding internal staff gross cost by said summarized internal staff gross cost; and

determining the percents by cost for each said gross cost of outsourced staff for each said function by dividing each corresponding gross cost by said summarized outsourced staff gross cost.

13. (currently amended) The method of claim 12 in which said step of determining a breakout of staffing costs and resources includes the steps of:

determining the fully loaded cost of said internal and outsourced staff;

determining a normalized value for each said gross cost of internal staff for each said function to provide normalized internal staff gross costs by multiplying such gross cost by the corresponding said percents by cost for internal staff; and

determining a normalized value for each said gross cost of outsourced staff for each said function to provide normalized outsourced staff gross costs by multiplying said gross cost by the corresponding said percents by cost for outsourced staff.

14. (currently amended) The method of claim 13 in which said step of determining a breakout of staffing costs and resources includes the steps of:

summing said normalized internal staff gross costs with said normalized outsourced staff gross costs for each said function to derive corresponding staff gross costs for each said function.

15. (new) The method of evaluating one or more information technology applications specific to an organization having a system with a computer-based infrastructure, users thereof, support functions, and a total IT budget, comprising the steps of:

determining a breakout of said total IT budget by:

determining an internal IT budget as said total IT budget reduced by a factor representing an IT budget outsourced,

determining internal budget splits by assigning one or more cost categories therefrom and determining, for each category, its cost as a percentage of said internal IT budget;

determining an outsourced IT budget as the proportion of said total IT budget representing an IT budget outsourced, and

determining outsourced budget splits by assigning one or more said cost categories therefrom and determining, for each category, its' cost as a percentage of said outsourced IT budget.

16.(new) The method of claim 15 further comprising the step of:

determining total budget categories by summing, for each said cost category, each said internal budget split cost with the corresponding outsourced budget split cost.

17. (new) The method of claim 15 in which said assigned cost categories are selected from the group consisting of: fully loaded staff cost, hardware cost, software cost, network cost, consulting cost, and other cost.

18. (new) The method of claim 15 further comprising the step of:

determining a user value contribution as an internal user cost and an external user cost.

19. (new) The method of claim 18 in which said step of determining a user value contribution of said application derives said internal user cost as the number of internal users of said application multiplied by the internal user salary, in turn, multiplied by the percent of internal active concurrent users.

20. (new) The method of claim 18 in which said step of determining a user value contribution of said application derives said external user cost as the number of external users of said application multiplied by the external user salary, in turn, multiplied by the percent of external active concurrent users.

21. (new) The method of evaluating one or more information technology applications specific to an organization having a system with a computer-based infrastructure, users thereof, support functions, and a total IT budget, comprising the steps of:

determining a breakout of staffing costs and resources by:

assigning one or more staff functions;

determining the internal gross cost of each internal staff function as the product of the percentage of participation of the staff function in the application and the average salary of the internal staff function;

determining the outsourced gross cost of each outsourced staff function as the product of the percentage of participation of the staff function in the application and the average salary of the internal staff function;

summarizing the determined internal gross costs of all said internal staff function to provide a summarized internal gross cost;

summarizing the determined outsourced gross costs of all said outsourced staff functions to provide a summarized outsourced gross cost;

determining the internal percentages by cost of each said staff function as the ratio of the internal gross cost of each internal staff function to said summarized internal gross cost;

determining the outsourced percentage by cost of each said staff function as the ratio of the outsourced gross cost of each outsourced staff function to said summarized outsourced gross cost;

determining the internal fully loaded cost for each said staff function;

determining the outsourced fully loaded cost for each said staff function;

determining an internal normalized cost for each said staff function as the product of the corresponding said internal fully loaded cost and corresponding said internal percentage by cost; and

determining an outsourced normalized cost for each said staff function as the product of the corresponding said outsourced fully loaded cost and corresponding said outsourced percentage by cost.

22. (new) The method of claim 21 further comprising the step of:

summarizing the costs of each of said staff functions by summing the said internal normalized cost thereof with the said outsourced normalized cost thereof.

23. (new) The method of claim 21 of which:

said step assigning one or more staff functions assigns said staff function from the function group comprising:

senior manager staff, new development staff, maintenance development staff, operations staff, technical staff, and other staff.

24. (new) The method of claim 21 further comprising the steps:

determining the total number of internal staff;

determining the total number of outsourced staff;

determining the internal staff count percentage for each said staff sanction;

determining the outsourced staff count percentage for each said staff function;

determining the internal full-time equivalent staff for each staff function as the product of said total number of internal staff and corresponding said internal staff count percentage; and

determining the outsourced full-time equivalent staff for each said staff function as the product of said total number of outsourced staff and corresponding said outsourced staff count percentage.

25. (new) The method of claim 24 further comprising the step of:

summarizing the full-time equivalent staff numbers for each said staff function by summing the corresponding internal full-time equivalent staff with the corresponding outsourced full-time equivalent staff.

26. (new) The method of claim 22 further comprising the steps:

determining a total staff cost as the sum of all of the summarized costs of each of said staff functions;

determining hardware cost as the sum of internal hardware cost and outsourced hardware cost;

determining software cost as the sum of internal software cost and outsourced software cost;

determining network cost as the sum of internal network cost and outsourced network cost; and

determining hardware-software-network cost as the sum of said hardware cost, said software cost and said network cost.

27. (new) The method of evaluating one or more information technology applications specific to an organization having a system with a computer-based infrastructure, users thereof, support functions, and a total IT budget, comprising the steps of:

determining internal user cost as the product of the number of internal users and the internal user salary and the percent of internal active concurrent users;

determining external user cost as the product of the number of external users and the external user salary and the percent external active concurrent users;

determining a base uplift as the value of total organization revenue divided by the product of the number of employees of the organization and their average salary;

determining an application specific uplift for each said one or more applications;

determining a normalized application uplift for each application as the product of each said application specific uplift and said base uplift divided by the sum of all said application specific uplifts;

determining an interdependencies factor allocating a percentage of perceived value of one application to another application for one or more applications;

determining an interdependency factor as the sum of all said interdependencies factors;

determining a base application value for each application as the product of said internal user cost and said interdependency factor; and

determining total application value as the product of said base application value and said normalized application uplift, said product being summed with said external user cost.

28. (new) The method of claim 27 further comprising the steps:

determining typical availability as a number of increments of time scheduled for the application less the corresponding value of anticipated down time, the resultant value being divided by said number of increments of time scheduled for the application;

determining impact of outage as a factor representing impact to the application of an unexpected outage; and

determining unavailability as the product of the total application value and one minus typical application availability, the resultant value being multiplied by said impact of outage.

29. (new) The method of claim 28 further comprising the steps:

determining major impact as a factor corresponding with the business impact of an application major outage;

determining mitigation as a factor representing the extent of recovery from an application disaster;

determining an application disaster recovery budget as a percentage of the cost of hardware, software and networking;

determining application disasters recovery cost as the product of the cost of hardware, software and networking and said disaster recovery budged percent; and

determining potential total loss as the product of total application value, times impact of outage, times one minus typical availability, times major impact, said product being divided by mitigation.

30.(new) The method of claim 29 further comprising the step:

determining the ratio of disaster recovery cost to said potential total loss.